GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:877
ANSWERED ON:21.11.2016
Unclaimed Amount of EPF
Noor Smt. Mausam

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a)whether the Government proposes to divert the unclaimed amount or inoperative accounts funds of EPF to any other welfare scheme and if so, the details thereof;
(b)whether the Government has received representations for utilising the amount lying in inoperative accounts/unclaimed amount in the EPF fund for the welfare of EPF pensioners/senior citizens welfare fund and if so, the details thereof and the action taken thereon;
(c)whether the Government proposes to utilize the unclaimed amount in the EPF fund for the benefit of members of EPF scheme and if so, the details thereof; and
(d)whether the Government proposes to amend the law for diverting fund from EPF scheme for other schemes which do not come under the EPF and if so, the details thereof?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI BANDARU DATTATREYA)

(a): There is no unclaimed amount in Employees' Provident Fund (EPF). However, as per para 72(6) of the Employees' Provident Fund Scheme 1952, certain amounts are classified as 'Inoperative Accounts' in which contributions have not been received for 36 months continuously. All such Inoperative Accounts have, however, definite claimants.
The Finance Act, 2015 has established the 'Senior Citizens Welfare Fund', which would be funded from any credit balance remaining unclaimed for a period of seven years from the date of declaration as an inoperative account under the Small Savings, Public Provident Fund or any other schemes as may be prescribed.
Contd..2/-

The 'Senior Citizens' Welfare Fund Rules, 2016' has identified the accounts of Employees' Provident Fund (EPF) as one of the schemes for transfer of unclaimed amounts

(b): Representations are received from time to time in this regard. However, the EPF funds, as per para 53 of the EPF Scheme, 1952, cannot be expended for any purpose other than payment to individual members.

(c) & (d): The Employees' Provident Fund Organization (EPFO) being the trustee of the Fund maintains individual member's account and the deposits available in the members' account are paid to the members on submission of applications.

****